

## COUNTY NATIONAL BANK OFFICERS

Craig S. Connor ..... President & C.E.O.  
John R. Waldron ..... Senior Vice President - Senior Loan Officer  
Sharon L. Burns ..... Vice President - C.F.O.  
Christopher J. Clarke ..... Vice President - Commercial Loans  
Diane K. Clow ..... Vice President - Director of Human Resources  
Cindy Dwyer ..... Vice President - Technology  
Lois E. Howard ..... Vice President - Commercial Loans  
Kelly D. Jensen ..... Vice President - Branch Administrator  
William C. Jors ..... Vice President - Business Development - Commercial Loans  
Mary P. Marshall ..... Vice President - Senior Trust Officer  
Dorene M. Shaw ..... Vice President - Chief Auditor  
Phyllis J. Brooks ..... 2nd Vice President - Consumer Loans  
Luann J. Crowley ..... 2nd Vice President - Mortgage Loans  
Ronald J. Haber ..... 2nd Vice President - Commercial Loans  
L. Michelle Heminger ..... 2nd Vice President - Administration  
David J. Kreger ..... 2nd Vice President - Commercial Loans  
Joyce E. Repasy ..... 2nd Vice President - Loan Administration  
Debra S. Smith ..... 2nd Vice President - Accounting  
Timothy P. Sullivan ..... 2nd Vice President - Trust  
Brenda L. Carpenter ..... Asst. Vice President - Mortgage Origination  
Sandra K. Grimm ..... Asst. Vice President - Data Processing  
Barry A. Malek ..... Asst. Vice President - Trust  
Rae A. Organ ..... Asst. Vice President - Bank Secrecy & Security  
Eric A. Potes ..... Asst. Vice President - Commercial Loans  
Chad E. Rumsey ..... Asst. Vice President - Commercial Loans  
Randall L. Tate ..... Asst. Vice President - Loss Mitigation  
Christine L. Walworth ..... Asst. Vice President - Trust Operations  
Rebecca J. Wiley ..... Asst. Vice President - HR & Staff Development  
Craig R. Burlingame ..... Branch Officer - Homer  
Michelle L. Caldwell ..... Branch Officer - Litchfield  
Linda C. Cavin ..... Branch Officer - Spring Arbor  
Suzanne L. Decker ..... Mortgage Loan Officer  
Donald W. Germann ..... Branch Officer - Jonesville  
Kimberly R. Hedrick ..... Branch Officer - Hudson  
Jeffrey S. Jackson ..... Consumer Loan Officer  
Amber C. Kohler ..... Bank Operations Officer  
Kelly L. Lantis ..... Commercial Credit Officer  
Robin G. Pelham ..... Branch Officer - Somerset Center  
Debra K. Storer ..... Mortgage Operations Officer  
Melissa A. Stroede ..... Branch Officer - Horton Road  
Craig D. Talbert ..... Mortgage Loan Officer  
Robert J. Wrozek ..... Branch Officer - Cortland

## DIRECTORS

John E. Barrett ..... President  
Eagle Funeral Homes, Inc.  
Craig S. Connor ..... President & C.E.O.  
County National Bank  
Joseph B. Dunigan ..... Retired President  
Dunigan Brothers, Inc.  
Judy R. Gabriele ..... Director of Development  
Hillsdale Hospital  
John P. Lovinger ..... Attorney  
Parker, Hayes & Lovinger, PC  
Stephen J. Maddalena ..... General Manager  
Kentwood Office Furniture  
David W. Pope ..... Chairman  
Powers Clothing, Inc.  
Claude J. Rowley ..... President  
Rowley, Inc.  
Steven A. Wells ..... President  
Wells Equipment Sales, Inc.

**LOCALLY OWNED TO  
SERVE LOCAL NEEDS**



**CNB** Community Bancorp, Inc.

# Consolidated Quarterly Financial Summary

March 31, 2016

## COUNTY NATIONAL BANK OFFICES

### HILLSDALE OFFICE

One South Howell Street, Hillsdale, Michigan 49242  
Phone: (517) 439-4300

### TRUST OFFICE

One South Howell Street  
Hillsdale, Michigan 49242  
Phone: (517) 437-3371

### JACKSON OFFICE

1800 N. Wisner Street  
Jackson, Michigan 49202  
Phone: (517) 783-1500

### LEWIS STREET OFFICE

150 Lewis Street  
Hillsdale, Michigan 49242  
Phone: (517) 437-3396

### JACKSON OFFICE

1523 Horton Road  
Jackson, Michigan 49203  
Phone: (517) 782-2500

### HANOVER OFFICE

125 West Main Street  
Hanover, Michigan 49241  
Phone: (517) 563-8332

### JONESVILLE OFFICE

228 E. Chicago Street  
Jonesville, Michigan 49250  
Phone: (517) 849-9949

### HOMER OFFICE

109 West Main Street  
Homer, Michigan 49245  
Phone: (517) 568-4448

### LITCHFIELD OFFICE

112 Jonesville Street  
Litchfield, Michigan 49252  
Phone: (517) 542-2932

### HUDSON OFFICE

325 Railroad Street  
Hudson, Michigan 49247  
Phone: (517) 448-8957

### SOMERSET CENTER OFFICE

12641 East Chicago Road  
Somerset Center, Michigan 49282  
Phone: (517) 688-4433

### JACKSON OFFICE

270 West Cortland Street  
Jackson, Michigan 49201  
Phone: (517) 768-7200

### SPRING ARBOR OFFICE

119 West Main Street  
Spring Arbor, Michigan 49283  
Phone: (517) 750-4011



Community Bancorp, Inc.

CONSOLIDATED BALANCE SHEET

ASSETS	March 31 2016	December 31 2015*	LIABILITIES AND STOCKHOLDERS EQUITY	March 31 2016	December 31 2015*
Cash and Due from Banks	\$17,681,000	\$12,516,000	Non-Interest Bearing Accounts	\$94,893,000	\$99,135,000
Investment Securities	38,638,000	39,260,000	Interest Bearing Accounts	<u>368,709,000</u>	<u>345,868,000</u>
Federal Funds Sold	194,000	- 0 -	Total Deposits	463,602,000	445,003,000
Net Loans	444,887,000	431,705,000	Federal Funds Purchased	- 0 -	- 0 -
Bank Premises	4,792,000	4,786,000	Other Borrowings	11,475,000	13,165,000
Other Assets	<u>13,656,000</u>	<u>13,697,000</u>	Other Liabilities	1,332,000	1,494,000
			Stockholders Equity	<u>43,439,000</u>	<u>42,302,000</u>
TOTAL ASSETS	\$519,848,000	\$501,964,000	TOTAL LIABILITIES AND STOCKHOLDERS EQUITY	\$519,848,000	\$501,964,000
			Shares Outstanding	2,062,201	2,062,201
			Book Value Per Share	\$21.06	\$20.51

\* Adjusted to annual report and audit

CONSOLIDATED STATEMENT OF INCOME

	Three Months Ended	
	March 31 2016	March 31 2015
Interest Income	\$5,430,000	\$4,886,000
Interest Expense	<u>242,000</u>	<u>257,000</u>
Net Interest Income	5,188,000	4,629,000
Provision for Loan Losses	<u>163,000</u>	<u>253,000</u>
Net Interest Income after Provision	5,025,000	4,376,000
Other Income	1,308,000	1,140,000
Other Expense	<u>4,626,000</u>	<u>4,056,000</u>
Income before Federal Income Taxes	1,707,000	1,460,000
Federal Income Taxes	<u>531,000</u>	<u>413,000</u>
NET INCOME	\$1,176,000	\$1,047,000
Shares Outstanding	2,062,201	2,046,981
Net Income Per Share	\$0.57	\$0.51



## Community Bancorp, Inc.

### FIRST QUARTER SHAREHOLDER UPDATE

The Board of Directors is pleased to declare a quarterly cash dividend of 18¢ per share payable April 22, 2016 to stockholders of record as of March 31, 2016.

We are pleased to announce the following quarterly results for CNB Community Bancorp, Inc.:

- First quarter net income was \$1,176,000, an increase of \$129,000 or 12.3% from our first quarter earnings one year ago.
- Earnings per share for the first quarter were 57¢, an increase of 6¢ over the first quarter of 2015.
- The last twelve months (LTM) earnings per share were \$2.11 compared to the March 2015 LTM earnings per share of \$1.95.
- Return on average equity for the first quarter was 11%, compared to 10.4% for the first quarter of 2015.
- Book value per share is now \$21.06, increasing \$1.17 from the first quarter of 2015, a 6% increase.

Our strong first quarter earnings were attributable to growth in loan bookings and balances. This helped increase our net interest income by \$559,000 compared to the first quarter of 2015. Our mortgage banking activities also contributed to a \$168,000 increase in other income.

Our loan portfolio had good growth during the first quarter. Net loans grew \$13,182,000 from year end totals, or 12.4% annualized. The portfolio is performing well with manageable loan losses. Net charge-offs for the quarter were low at \$22,272, or .005% of average loans outstanding. We expensed \$162,500 for loan losses compared to \$253,000 in the first quarter 2015. Our provision for loan losses account now stands at \$6,539,000, or 1.45% of total loans outstanding.

The balance sheet reflects good deposit growth through the first three months of 2016. Our equity continues to build through retained earnings, increasing by \$2,728,000 over 3/31/2015. County National Bank and CNB Community Bancorp, Inc. continue to be considered well capitalized. Total risk-based capital to risk-weighted assets at the Bancorp level is 11.52%.

Our annual meeting held April 13, 2016 went well with the Board being elected for the 2016-2017 term. Our stock continues to be an attractive investment for those looking for dividend income and growth in book value.

We are completely restyling and upgrading the full service branch in Adrian and plan to open in June. We've already established many new lending and deposit relationships there. As we look forward to this branch opening, we've heard from many other potential customers excited about banking with CNB.

We are optimistic about the future of your bank. Our employees, managers and Directors continue to work hard to produce solid returns for our shareholders and positive economic results for the communities we service. Again, we thank you for the continued support of your locally owned community bank.

Craig S. Connor  
President & CEO

